



05 February 2016

ASX ANNOUNCEMENT

By Electronic Lodgement

MRV METALS Pty Ltd ACQUIRES HIGHLY PROSPECTIVE TENEMENTS

The Board of Moreton Resources Limited (MRV) is pleased to advise that through its 100% fully owned subsidiary, MRV Metals Pty Ltd, it has entered into a binding agreement to acquire a range of tenements in the Granite Belt Region, close to the township of Texas in Southern Queensland.

These tenements (EPM 8854, EPM 11455, EPM 12858 and EPM 18950) were held by Macmin Silver Ltd (Macmin) then Alcyone Resources Ltd (Alcyone) via Texas Silver Mines Pty Ltd (Texas Silver), and have been the subject of early stage exploration. However due to the ongoing focus of the startup operations of Texas Silver, the majority of the prospects identified over a period of 20 years have either not been fully explored or identified. At differing times both Macmin and Alcyone suffered from depressed silver markets and fell into liquidation, in sequence, Alcyone being a Deed of Company Arrangement of the former Macmin.

Of interest to MRV Metals amongst other things is the following identified mineralized drill hole intersections that the company intends to review, model and then seek further exploration of –

30th September 2004 ASX Macmin Silver Ltd announcement

Hole No	Co-ordinates		From (m)	To (m)	Interval (m)	Copper (%)	Silver (g/t)	Zinc (%)
	North	East						
TUD1	6812038	333240	40	49	9	2.5	98	0.4
TUD2	6812038	333240	93	98	5	6	328	3.4
			94	95	1	10	508	6.5
			129	130	1	2.6	123	1.3

The same announcement goes further to identify the following additional intersections –

- TUD17 intersected **4m @ 0.5% Cu** at approximately **20m depth from surface**
- TUP7 intersected **9m @ 2.3% Cu, 110g/t Ag** at **32-41 m depth downhole**

The tenements contain a total **Mineral Resource estimate for Mt Gunyan of approx. 7 Moz** of silver at a cut-off grade of 30 g/t Ag (754 kt @ 56 g/t Measured, 2.9 Mt @ 55 g/t Indicated and 302 kt @ 48 g/t Inferred) as announced on the 31 October 2012 by Alcyone to the ASX and reported under the 2004 edition of the JORC Code.

MRV through this acquisition is also acquiring extensive historical drill data and associated analysis, collected over multiple exploration programs that will be modelled, with the best potential future exploration prospects then determined. The Company will review the potential for an upgrade of this Mineral Resource subject to data analysis in the coming months.



The current spot price for silver (per ounce) is approx. \$20.79 AUD, however in our view we see the price for silver, performing well in the next 3-5 years, with positive overall growth 10 years out.

An independent review in early 2016 of available public data for the prospect has been undertaken by ResEval Pty Ltd (ResEval) whom were engaged by MRV. This was following significant due diligence that was undertaken by the Company in late 2014 to early 2015, whereby MRV sought to buy the Texas Silver Mine and associated tenements as a going concern off the receiver, after having access to detailed data rooms and significant exploration information.

A great deal of this exploration data has not been released to the market and hence, whilst the Texas Silver Mine, mining lease has now been declared a Restricted Area (RA 426) by the Queensland Government, the Company is confident of the quality and quantum of information both publically and within the associated data rooms, that exploration targets can be generated for follow-up.

Of interest to the Company also upon page 9 of the attached report by ResEval is the following comment –

*“This provides an encouraging exploration target than can often be associated with high grade silver occurrences. **Two of the most advanced projects indicate sufficient continuity that they should be able to define Mineral Resources with additional drilling at Hornet (Copper) and Harrier (Zinc-lead-silver).***

Previous exploration has highlighted a number of prospects that have only had limited work due to budget constraints and encouraging results that are yet to be followed up, including un-assayed drill samples.”

The company is now progressing with the transitional issues that are, as always, subject to Government approvals and other conditions, which we hope to have finalized in the coming months and will update the market upon the next phase of activity for MRV Metals, with these exciting and highly prospective tenements. **We are also pleased to advise that this acquisition is fully funded from current cash reserves.** The total acquisition including tenements, significant historical physical & electronic data along with associated transfer and make good fees, **the Company is expected to spend less than \$75,000** through the purchase of these tenements from the liquidator of the former Alcyone Assets. These tenements are seen as a significant acquisition for the Company with future potential as a polymetallic mining operation.

The combined tenements will be referred to as the **“Granite Belt Project”** and a priority of the Company will be early engagement with the land owners within the area and associated communities, with a clear understanding of the importance that the Texas Silver Mines played in the region prior to their subsequent failure and closure in early 2015.

Regards

Jason Elks
Chief Executive Officer
Moreton Resources Limited

Moreton Resources Ltd (Moreton) is negotiating the purchase of the exploration permits held by Texas Mines Pty Ltd in the Texas area in Queensland. ResEval Pty Ltd (ResEval) was engaged to compile a summary of the exploration permits from public source information, primarily the ASX announcements of the former owners of Texas Mines, Alcyone Resources Ltd (formerly Macmin Ltd).

Tenure

Texas Mines Pty Ltd hold four exploration permits in the area of Texas township Queensland, near the New South Wales border and 320 km southwest of Brisbane. Public details are provide in Table 1 and Figure 1.

Several of the EPMS expire in the 2016 and would require renewal by negotiation with the Queensland State Government, Table 1.

Table 1: Texas Silver Mines Pty Ltd tenements

Tenement	Grant Date	Expiry Date	Minerals	Sub-blocks	Native Title Category
EPM8854	8/7/1992	7/7/2016	All minerals except coal	17	Pre-existing right
EPM11455	1/4/1998	31/8/2018	All minerals except coal	14	Pre 1996 grant
EPM12858	10/8/2000	9 /8/2016	All minerals except coal	34	Native tile excluded
EPM18950	31/5/2011	3/5/2016	All minerals except coal	2	Exclusive land

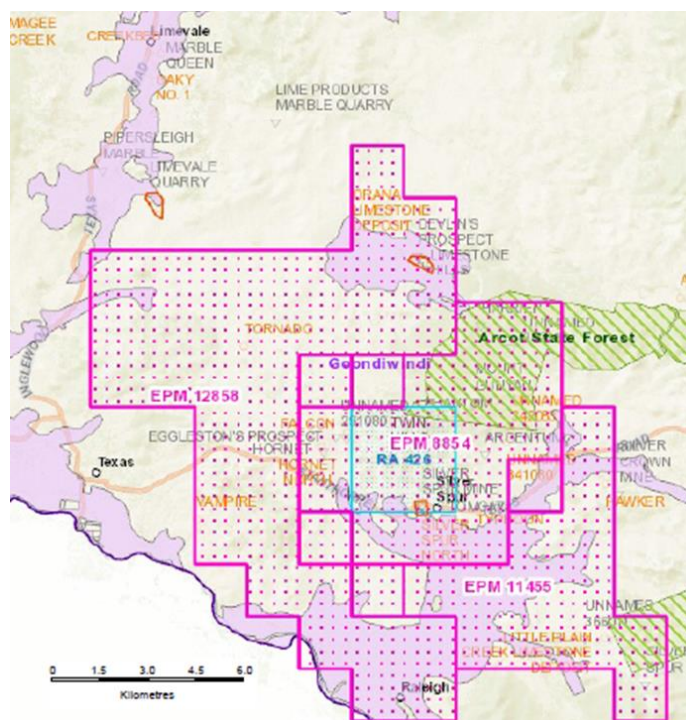
Source: Queensland State Government web service MinesOnlineMaps; website accessed 6 Jan 2016

There are three overlapping tenements that take precedence:

- ML50145 a small Mining Lease for limestone towards the NE of the permits covering 25 ha.
- RA426 a restricted area (RA) approved on 30/10/2015 that covers the Twin Hills and Silver Spur mines and covers an areas of four sub-blocks.
- ML5932 over the Silver Spur deposit held by Texas Mines Pty Ltd which expires 30/6/2016 covering 18 ha and which is mostly covered by RA426.

The mining lease ML5932 covering the Twin Hills silver mine is relinquished and an RA established in 2015 as the Queensland State Government determined the rehabilitation costs to be \$10M for the Twin Hills and Silver Spur mine areas and a significant shortfall against the available environmental bond of \$2M exists.

Figure 1: Mineral tenements near Texas, Queensland



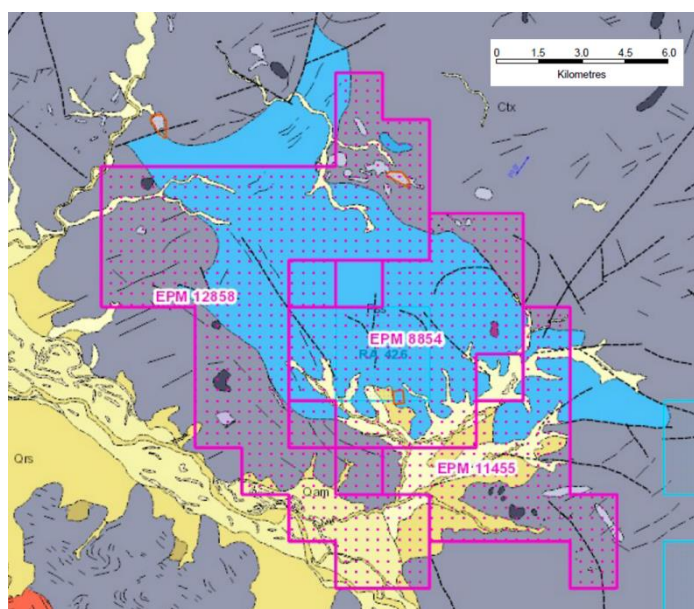
Source: Queensland State Government web service MinesOnlineMaps; website accessed 6 Jan 2016

History and Setting

The Texas-Stanthorpe region hosted a number of mining operations in the 1890s. The region is dominated by the Texas Beds, a series of sediments and volcanics accumulated in the Carboniferous during continental accretion. Later local rifting in the Texas area in the Permian gave rise to a sub-basin and the accumulation of the Silver Spur Beds. The Silver Spur Beds are highly mineralised compared to the surrounding Texas Beds (Halloran, 2015) and displayed in blue in Figure 2 compared to the Texas Beds in grey.

Styles of mineralisation in the area include both epithermal/meso-thermal Ag-Au and sedimentary related base metals with volcanic affinity. The Silver Spur Basin trends NW which can influence stratigraphy and structure. Fracturing is generally vertical and also often north-south. The low-sulphidation epithermal mineralisation is associated with potassic alteration providing a useful exploration signature. The Silver Spur Beds display an unusually high Ag-Au ratio for epithermal mineralisation resulting in silver dominated deposits.

Figure 2: Geology and tenements of the Texas area, Queensland



Source: Queensland State Government web service MinesOnlineMaps; website accessed 6 Jan 2016

Significant exploration in the area commenced in 1994 with Macmin Ltd undertaking exploration and resource definition drilling predominantly at the Twin Hills and Mt Gunyan (3 km to the northeast) with some minor drilling at the historic Silver Spur Mine (2 km to the southeast). These led to the definition of Mineral Resources at Twin Hills and Mt Gunyan. Macmin obtained a Mining Lease for Twin Hills and developed a heap leach operation from 2000 and commenced production in 2008 to 2009. The operation was restarted by Alcyone from 2011 until early 2014 until operations ceased due to funding and production issues. Plant optimisation was undertaken in late 2013 and still in progress when operations ceased.

RA426 – Twin Hills and Silver Spur

The Twin Hills and Silver Spurs deposits lie within both EPM8854 and RA426. The restricted area means that they are not currently available to the holder of EPM8854, however they provide an indication of significant deposits in the area.

Since 2008 Twin Hills mine produced a total of 1.4 Moz of recovered silver (Halloran, 2015). The last resource update by Alcyone (31/1/2014) in Table 2 does not account for the last 6 months of mine production.

Table 2: Twin Hills Mineral Resource depleted to June 2013 at a 26.5 g/t Ag cut-off

Class	Tonnes	Ag g/t	Ag Moz
Measured	1,716,000	77	4.2
Indicated	5,718,000	44	8.1
Inferred	931,000	53	1.6
TOTAL	8,365,000	52	13.9

Source: Alcyone (31/1/2014) reported under JORC 2004

The Silver Spur underground mine is believed to have produced 100 000 t @ 800 g/t Ag, 25% Zn and 13% Pb (Alcyone, 18/10/2012) i.e. 2.5 Moz Ag. An early 1997 resource estimate has been reproduced at various stages with high Pb, Zn and Ag grades along with estimates for a surface slag dump. However it is not appropriate to reproduce these estimates as Macmin and Alcyone have undertaken subsequent drilling and Silver Spur that has not been considered but which has confirmed and possibly extended the deposit.

Mt Gunyan Mineral Resource

The Mt Gunyan deposit lies with EPM8854 and is not affected by the restricted area and has no previous mining. It is situated on a hill that rises 100 m above the surrounding countryside.

The current resource estimate in Table 3 was originally announced in late 2012 with a significant increase over the previous 2010 estimate as a result of both extension drilling and a lower cut-off grade. This was the basis of a scoping study by Alcyone (1/10/2012) that reported in-pit Mineral Resource of 2.4 Mt at 56 g/t Ag and 2.6 Moz of recoverable silver, Table 4. This was based on operational parameters at Twin Hills that included a 60% metallurgical recovery, haulage to Twin Hills and a \$30/oz silver assumption.

Table 3: Mt Gunyan Mineral Resource at a 30 g/t Ag cut-off

Class	Tonnes	Ag g/t	Ag Moz
Measured	754 000	56	1.4
Indicated	2 884 0000	55	5.2
Inferred	302 000	48	0.5
TOTAL	3 940 000	55	7.0

Source: Alcyone (31/1/2014) and based on the original announcement Alcyone (31/10/2012) reported under JORC 2004

Table 4: Mt Gunyan in-pit Mineral Resource

Class	Tonnes	Ag g/t	Ag Moz
Measured	701 000	52	1.2
Indicated	1 676 0000	58	3.1
Inferred	28 000	54	0.0
TOTAL	2 405 000	56	4.4

Source: Alcyone (1/10/2012) reported under JORC 2004

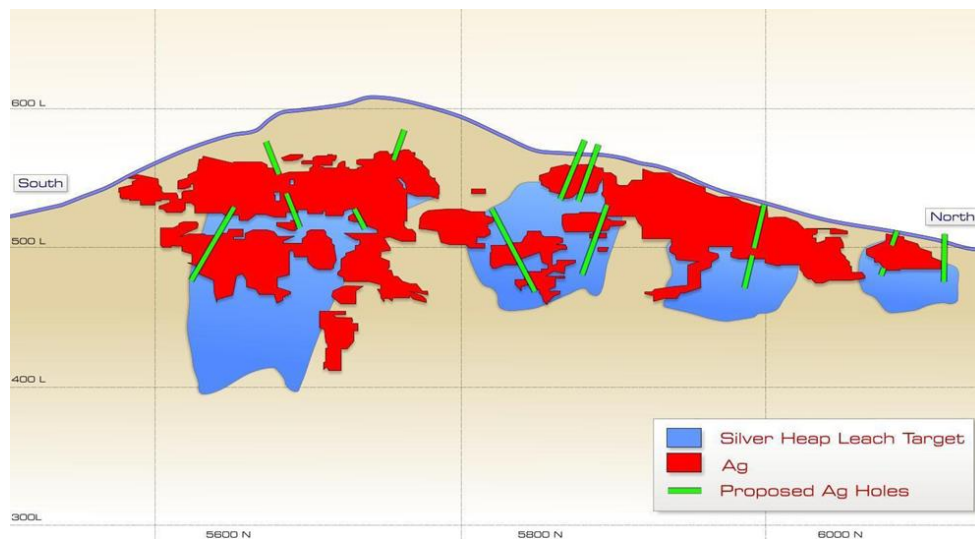
Previous Mineral Resource estimates for Mt Gunyan and Twin Hills report gold grades in the order of 0.08 g/t Au. These are excluded from the current estimates without explanation but possibly because the gold was not recoverable and/or not economically significant to the Twin Hills operation. Mt Gunyan is noted to have some limited higher grade gold zones.

Drilling by Macmin up to March 2004 included 234 drill holes (~17000 m). Additional drilling was noted in 2008 with a further 10 percussion and 14 diamond drill holes, and further drilling completed in 2010.

Low grade zinc zones occur within the Mt Gunyan deposit and in 2010 Alcyone (22/10/2010) attempted to follow-up on a 1997 drill hole with 6 m at 1.3% Zn to assess potential for higher grade zinc zones.

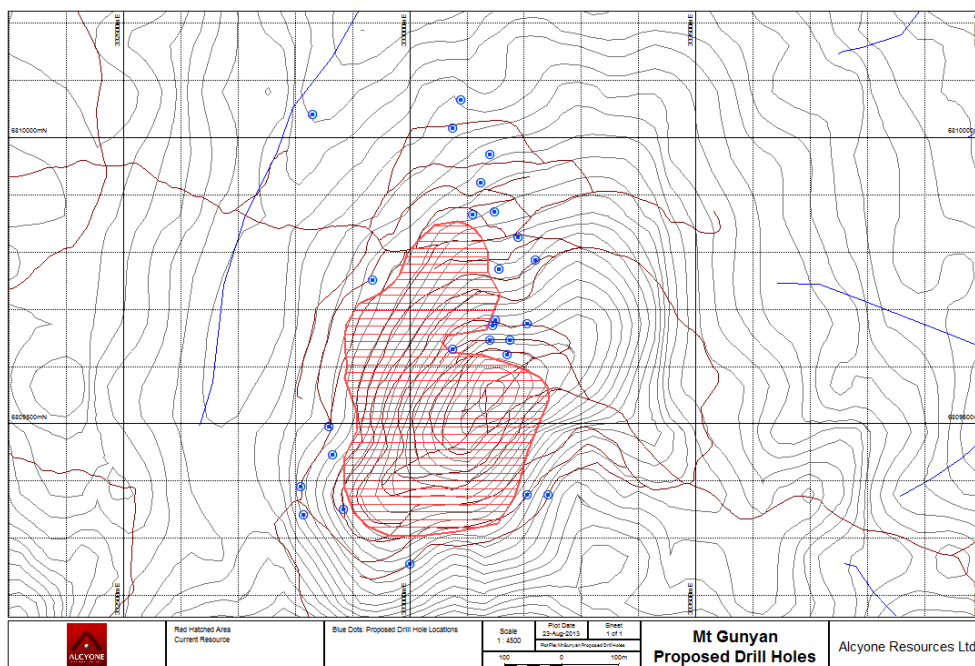
In 2013 Alcyone (26/8/2013) announced it would cease base metal exploration to concentrate on silver targets, identifying a drilling program in Figure 3 and Figure 4 to extend the Mineral Resource limits. The program was never commenced leaving identified extensions open.

Figure 3: Mt Gunyan drilling proposal N-S cross section



Source: Alcyone (28/8/2013)

Figure 4: Mt Gunyan drilling proposal plan



Source: Alcyone (28/8/2013)

Red hatched area is the current resource, Blue circle are planned drill hole collars

Silver Exploration Targets:

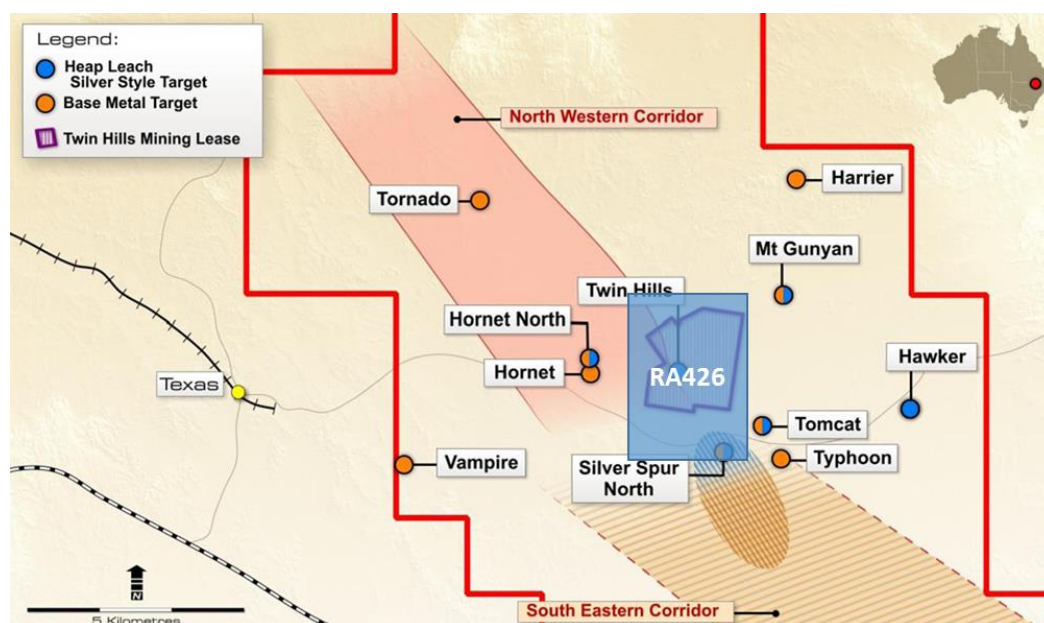
From 1996 Macmin concentrated on drilling the Twin Hills, Mt Gunyan and Silver Spur deposits but also undertook ground surveys to identify a number of targets within the Silver Spur Beds. From 2010 to 2013 Alcyone broadened the exploration focus to other prospects for both silver and base metals following up with both further generative exploration work and drilling of the identified prospects. This was initially with a company owned rotary air blast (RAB) drill rig. Few of the RAB results are published by in some cases subsequent RC or diamond drilling was undertaken and are reported. These drill results were completed prior the last Exploration Targets released by Alcyone (14/11/2013) in Table 5 for silver and include extensions to the Mt Gunyan Mineral Resource and other exploration targets (Figure 5).

Table 5: Silver exploration targets from the Alcyone ASX announcement (Alcyone, 14/11/2013)

Location	Target	Tonnes		Mean Ag (g/t)		Comments/Justification for Target Size
	Ag Moz	Min	Max	Min	Max	
Mt Gunyan						
Deepes	0.7	250 000	500 000	50	70	depth extension to current mineral resource
South East	0.6	250 000	500 000	40	60	shallow, extent defined by some RAB drilling, RC drilling results not available yet
South West	0.6	250 000	500 000	40	60	shallow, extent defined by some RAB drilling
Western Tectonic Corridor						
Tornado	0.8	250 000	750 000	40	60	surface sampling Ag +/- Zn anomaly defines +600m strike depth
Hornet	1.2	500 000	1 000 000	40	60	numerous occurrences, Ag +/-Cu/Zn, not part of main Cu prospect nor part of recent RC drilling
Falcon	0.8	250 000	750 000	40	60	ridge line to NE and // to Hornet, similar potential to Hornet Ag, RC drilling results awaited
un-named 1	0.8	250 000	750 000	40	60	additional as yet untested structures defined by SAM and mapping
un-named 2	0.8	250 000	750 000	40	60	additional as yet untested structures defined by SAM and mapping
Individual Targets						
Tom Cat	1.6	750 000	1 250 000	40	60	Ag/Zn soil anomaly defines strike extent
Phantom/Triangle	0.7	250 000	500 000	50	70	to east of Twin Hills, old workings , drilling and soils anomaly, RAB drilling results awaited
Hawker	1.3	500 000	1 000 000	40	70	Ag soil anomaly, RC drilling returning Ag to 100g/t, strike length of 100m

Note the Silver Spur North and Twin Hills mine targets are removed as these lie within RA426

Figure 5: Exploration prospect locations



Source: Alcyone (26/4/2012). Note Twin Hills and Silver Spur are now within RA426 as indicated

Base Metal Exploration Targets:

Table 5 only updates the Exploration Targets for silver as that was narrower focus Alcyone adopted in 2013 to support its Twin Hill silver operations. Earlier base metal exploration targets by Macmin are no longer relevant due to the drilling completed by Alcyone from 2010 to 2013.

Alcyone only updated Exploration Targets for the Hornet prospect to 0.5 to 1.5 Mt grading 1 % to 2% Cu, after successful follow-up RC drilling in 2012 to a target of 0.5 to 1.5 Mt grade 1 % to 2% Cu (Alcyone, 1/10/2012).

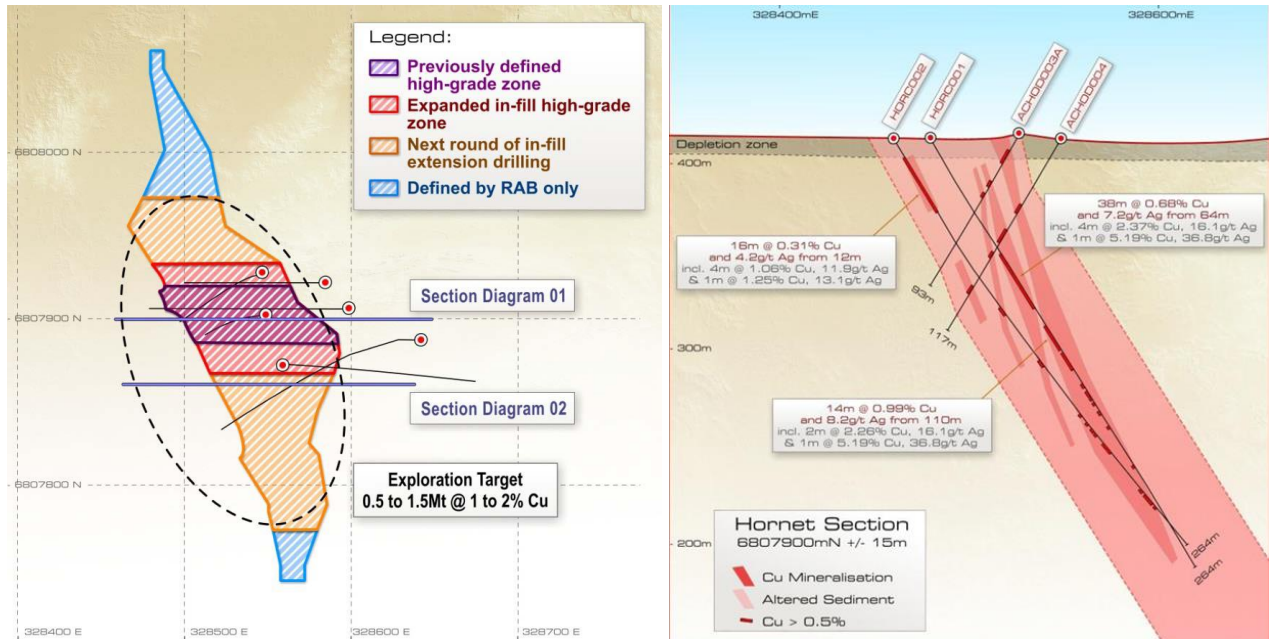
Hornet prospect (Cu)

The Hornet prospect is located at the old Texas Copper Mine and has regional RAB drilling coverage and three drilling programs with 7 diamond holes in 2010 (Alcyone, 2/11/2010 & 27/10/2011), 3 RC holes in early 2012 (Alcyone, 24/1/2012) and 6 RC holes later in 2012 (Alcyone 31/10/2012), see Figure 6. This represents the most advanced prospect after Mt Gunyan.

Significant recent higher grade results include:

- HORC009 10 m @ 1.24% Cu from 154 m including 2 m @ 4.9% Cu
- HORC005 6 m @ 1.75% Cu from 120 m including 2 m @ 4.3% Cu

Figure 6: Hornet drill plan and sections

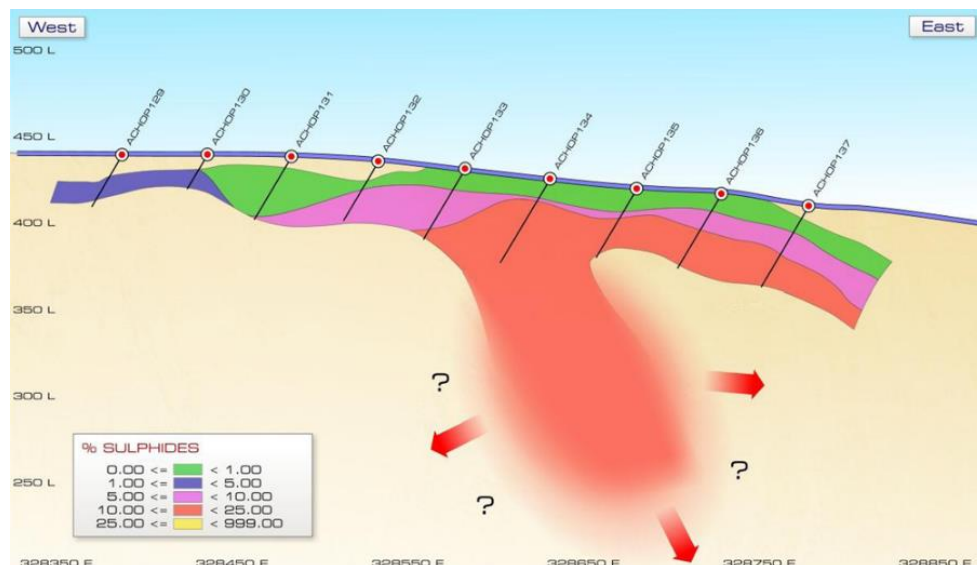


Source: Alcyone (1/10/2014, 26/4/2012)

Hornet North prospect (Ag-Zn)

RAB drilling report sulphides up to 25% and up to 1% Zn (Alcyone, 26/4/2012) see Figure 7.

Figure 7: Hornet North RAB cross section



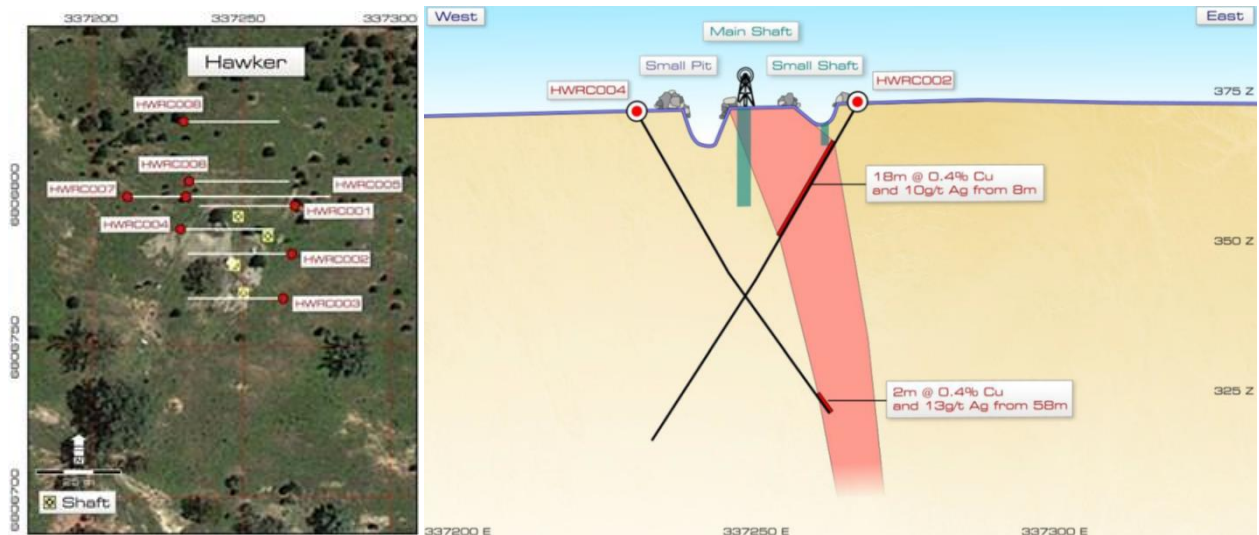
Source: Alcyone (26/4/2012)

Hawker prospect (Ag-Zn)

Hawker has anomalous Ag and Cu soils results and unmarked workings. An 8 hole RC program in 2012 (558 m) resulted in peak 1 m sample assays of 100 g/t Ag and 3.5% Cu and considered encouraging. The drilling is presented in Figure 8 and the results include:

- HWRC002 18 m @ 0.4% Cu (Alcyone 26/4/2012)

Figure 8: Hawker drill plan and cross section



Source: Alcyone (26/4/2012)

Harrier prospect (Cu-Zn-Ag)

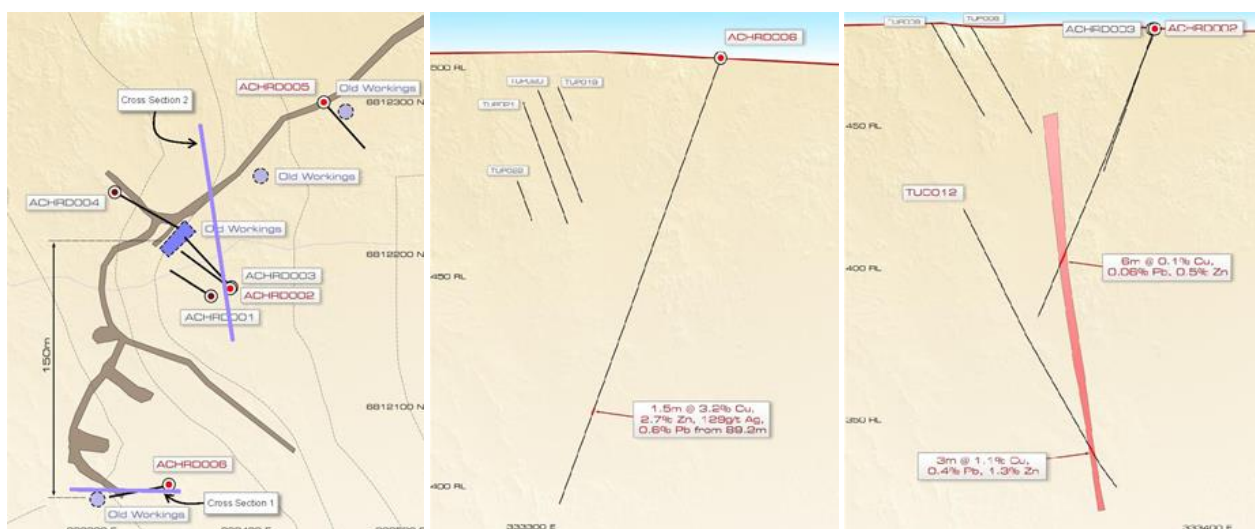
The Harrier prospect is north of Mt Gunyan and has a number of old working with historic production of 81 tonnes at 11% Cu mined from 1920 to 1922. In 2010 nine drill holes were complete (850 m) to investigate the Cu-Zn mineralisation and to follow up on 2004 drilling (Alcyone 22/10/2010 & Macmin, 30/9/2004). that included:

- TUD2 5 m @ 6.0% Cu, 3.4% Zn and 328 g/t Ag from 93 m

The drilling is presented in Figure 9 and the 2010 results include:

- ACHRD006 1.5 m @ 3.2% Cu, 2.7% Zn and 129 g/t Ag from 89 m

Figure 9: Harrier workings, drill plan and cross sections

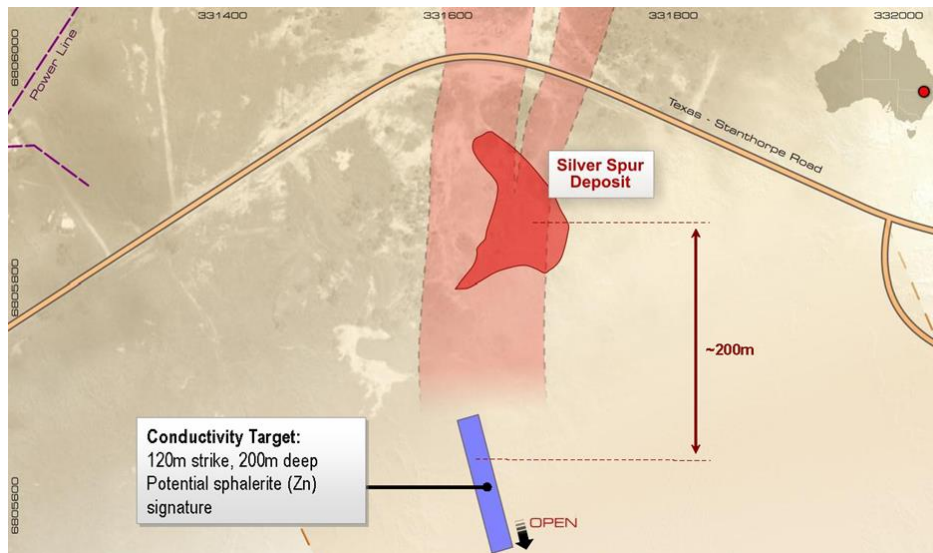


Source: Alcyone (22/10/2010)

Silver Spur South prospect (Ag-base metals)

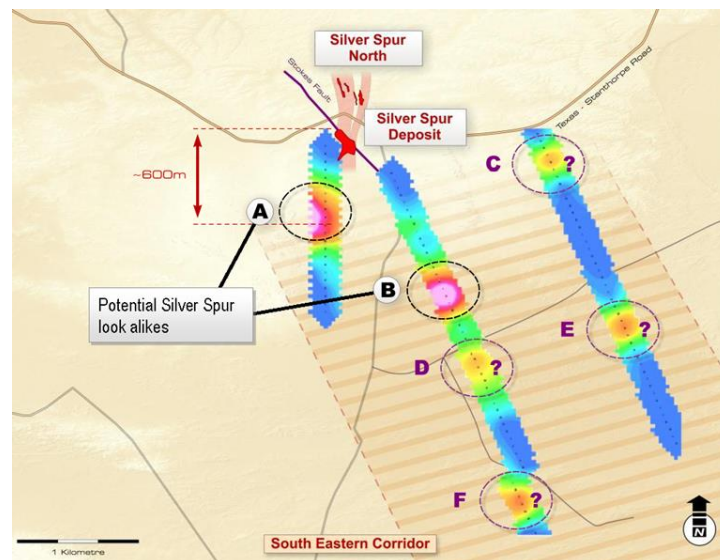
Though the Silver Spur mine and drilling by Alcyone is now within RA425, Alcyone also undertook surface electromagnetic (EM) survey high highlighted anomalies worthy of follow-up towards the south of Silver Spur (Alcyone 18/10/2012). These targets lie outside RA425 and now available for exploration and include both an immediate southern extension targeting a conductivity anomaly (Figure 10) and EM targets though the southern corridor (Figure 11), an areas that has had little previous attention.

Figure 10: Silver Spur South plan



Source: Alcyone (26/4/2012)

Figure 11: Silver Spur southern corridor Regional EM targets



Source: Alcyone (26/4/2012)

Mt Gunyan SE

Mt Gunyan SE is a silver anomaly 1 km southeast of Mt Gunyan and identified in soils and geophysics by Macmin. Alcyone (31/7/2013) completed 11 RC holes with 84 m of the 1067 m drilled registering >30 g/t Ag using hand held XRF. These selected intervals were assayed with the best of the six reported drill hole intervals by Alcyone (29/10/2013) including:

- MTGE004 6 m @ 53 g/t Ag from 20 m
- MTGE010 10 m @ 47 g/t Ag from 44 m

Other prospects

A number of prospects drilled by Alcyone in 2013 report encouraging hand held XRF results that provide indicative results. It appears the follow-up assaying was only selective or not completed due to budget constraints.

Other prospects include:

Flacon is a north-south line of soil and rock anomalies with chips samples returning up to 184 g/t Ag, 2.5 % Cu, 3.4% Zn, 13.7% Pb (Alcyone, 26/4/2012). Alcyone (31/7/2013) completed 6 RC holes with significant Zn-Pb and minor Ag from hand held XRF with Zn grades up to 3% Zn.

Vampire which is 75 ppm Cu soil anomaly with 19 RAB holes. Sulphides were evident but no assay results are reported to date (Alcyone, 18/10/2012).

Tornado has anomalous Ag and Zn surface samples with 4 diamond drill holes completed in 2010 but without significant intersections (Alcyone, 27/10/2011).

Conclusions

The four exploration permits currently held by Texas Silver Mines cover most of the Silver Spur Bed basin. Previous exploration and historic mining has highlight this sequence to be highly prospective for both silver rich epithermal/mesothermal deposits like Twin Hills and Mt Gunyan and polymetallic base metal deposits.

The properties include the existing silver Mineral Resource at Mt Gunyan. This has potential for further extensions and definition of gold and zinc rich areas. There are also a number of silver exploration targets identified some of which also have potential heap leach potential like Mt Gunyan.

Bases metals are present in the Silver Spurs beds, often as disseminated low grade sulphides, however there are occurrences where enrichment along vertical fractures has given rises to high grade zones mined previously and found in exploration. This provides an encouraging exploration target that can often be associated with high grade silver occurrences. Two of the most advanced projects indicate sufficient continuity that they should be able to define Mineral Resources with additional drilling at Hornet (copper) and Harrier (zinc-lead-silver).

Previous exploration has highlighted a number of prospect that have only have limited work due to budget constraints and encouraging results that are yet to be followed up, including unassays drill samples.

References

Alcyone Dates refer to the Australian stock exchange announces which are available under then ASX code AYN on www.asx.com.au. They are also available at www.alcyone.com.au

Halloran, 2015 Overview of the Twin Hills Silver Deposit Texas. Presentation by David Halloran at New England Orogen seminar run by the Australian Institute of Geosciences. Available at www.aig.org.au.

MinesOnlineMaps Queensland State Government mapping web service available at www.business.qld.gov.au. Data and maps are sourced from the State of Queensland and subset for presentation.

Reliance

This document has been prepared by ResEval Pty Ltd (ResEval) an independent consultant engaged by Moreton Resources Limited ("Moreton") for the purpose of summarizing the publically available technical information for the Texas Mines Pty Ltd exploration permits being considered for purchase. No other information available to Moreton through due diligence processes was made available or considered.

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Competent Person

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